

## OM CONSTRUCTION COMPANIES INDIA PRIVATE LIMITED

December 26, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	15.00	CARE BB-; Stable	Reaffirmed
Long Term / Short Term Bank Facilities	35.00	CARE BB-; Stable / CARE A4	Reaffirmed

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

For arriving at ratings of Om Construction Companies India Private Limited (OCCPL), CARE Ratings Limited (CareEdge Ratings) has taken a combined view of Om construction company group (OCCG) entities, Om construction company (OCC) and OCCPL due to their strong operational and managerial linkages.

The ratings assigned to the bank facilities of OCCPL continues to remain constrained on account of its modest scale of operations with fluctuating profitability, low net worth base leading to weak financial risk profile and stretched liquidity. The ratings, further, remain constrained on account of its presence in the highly competitive and fragmented industry and its high geographical and clientele concentration risk.

The ratings, however, derive strength from OCCG's experienced promotor and its moderate orderbook from reputed clientele with whom it has long-standing relationship.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Increase in scale of operations above Rs. 70 crore with improvement in profitability marked by PBILD margin of more than 7% on sustained basis.

#### Negative factors

- Decline in scale of operations below Rs.40 crore on account of delay in execution of the ongoing work orders and non-receipt of new orders on sustained basis.
- Increase in debt level leading to deterioration in capital structure with overall gearing above 3.00x times on a sustained basis.

#### Analytical approach: Combined

Analytical approach has been revised to "Combined" from "Standalone", considering the continuation of business operations in Om Construction Company (partnership firm) and the presence of strong operational and managerial linkages.

#### Outlook: Stable

The stable outlook reflects CARE Ratings' expectations that OCCPL will benefit from its established operational track record and experience of its promoter and orderbook on hand.

### Detailed description of key rating drivers:

#### Key weaknesses

##### Modest scale of operations with fluctuating profitability

OCCG's operates on a modest base and has reported fluctuating scale of operations and profitability over a period of last 5 years ended FY25. In FY25 (FY refers to the period April 01 to March 31), OCCG's total operating income (TOI) decline 24% y-o-y to Rs.38.58 crore (Rs. 51.03 crore in FY24), primarily due to delays in execution of water supply projects. Till December 15, 2025 (provisional), OCCG reported TOI of Rs. 31.00 crore. Further, OCCG reported a PBILD margin of 13.09% during FY25 (PY: 7.45%) mainly on account of execution of higher margin orders.

##### Low net worth base leading to weak financial risk profile

OCCG reported overall gearing and TOL/TNW of 2.00x (PY: 2.15x) and 4.15x (PY:4.30x) respectively on a low net worth base of ₹9.44 crore (PY: ₹8.44 crore) as on March 31, 2025. Its debt coverage indicators have also remained moderate marked by Total Debt/Gross Cash Accruals (TD/GCA), and interest coverage ratio of 13.26x (FY24: 16.27x) and 1.31x (FY24: 1.19x) respectively as on March 31, 2025.

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

### High geographical and clientele concentration

OCCG's orderbook is geographically concentrated with 100% of the contracts in Madhya Pradesh. Also, 96% of orders are from Madhya Pradesh Urban Development Company Limited (MPUDCL), reflecting high clientele concentration. The skewness towards government sector entities exposes OMCC to any adverse changes in political environment or policy matters that would affect all the projects at large.

### High competitive intensity in the government civil construction segment

The construction industry is highly fragmented in nature with presence of large number of unorganized players and a few large, organized players which coupled with the tender driven nature of construction industry poses huge competition and puts pressure on the profitability margins of the players.

### Key strengths

#### Experienced promoters with track record of operations in civil construction segment

Promoted by Mr. Durga Prasad Dixit, OCCG possesses a long track record of operations of more than two decades in civil construction segment. It has helped OCCG secure and execute orders from various state government agencies with low counterparty risk, including the Public Works Department (PWD), Rural Engineering Services (RES), Madhya Pradesh Rural Road Development (MPRRD), MP Housing & Infrastructure Board (MPHID), Municipal Corporations, MP Police Housing Cooperation (MPHC), Water Resource Departments, and others, leading to repeated orders from these departments.

#### Moderate orderbook

OCCG has an outstanding order book worth Rs.133.94 crore as on October 06, 2025 (3.47x times of TOI of FY25), to be completed within next 12-18 months showing medium-term revenue visibility.

#### Liquidity: Stretched

The OCCG's liquidity position is stretched as reflected by high utilisation of its fund-based bank limits in the recent past with average utilisation of 95-100%. The gross current assets days also remain elongated to 337 days in FY25 (PY: 237 days), due to delay in the realizations from the government departments. The company has cash and bank balance (inclusive of lien marked FD) of Rs. 10.36 crore in FY25 (PY: Rs. 9.88 crore). It has reported gross cash accruals (GCA) of Rs.1.42 crore during FY25 (PY: Rs. 1.11 Crore) against nil debt repayment obligations.

### Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Construction Sector](#)

[Infrastructure Sector Ratings](#)

[Short Term Instruments](#)

[Consolidation](#)

### About the company and industry

#### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil Construction

OCCPL, based in Tikamgarh, Madhya Pradesh, was incorporated in 2021 by Mr. Durga Prasad Dixit and Ms. Asha Dixit. The company is primarily engaged in executing civil construction works for government departments.

The promoters were earlier operating through OMC, a partnership firm established in 2002 by Mr. Durga Prasad Dixit and Ms. Asha Dixit, with a profit-sharing ratio of 90:10. The promoters are in the process of transitioning business operations from the partnership firm to the private limited company.

**Combined OCCG:**

Brief Financials (₹ crore)	March 31, 2024 (UA)	March 31, 2025 (UA)	December 15, 2025 (UA)
Total operating income	51.03	38.58	31.00
PBILDT	3.80	5.05	NA
Profit after tax (PAT)	1.03	1.35	NA
Overall gearing (x)	2.15	2.00	NA
Interest coverage (x)	1.19	1.31	NA

**Standalone OCCPL:**

Particular	March 31, 2024 (A)	March 31, 2025 (A)	December 15, 2025 (UA)
Total operating income	11.52	25.06	28.37
PBILDT	1.74	4.75	-
PAT	0.04	0.78	-
Overall gearing (times)	3.35	3.01	-
Interest coverage (times)	1.02	1.26	-

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

**Status of non-cooperation with previous CRA:** ICRA has put the rating assigned to bank facilities of OMCC under issuer non-cooperation category considering ICRA's inability to carry out a rating exercise in the absence of the requisite information from the company per the press release dated September 19, 2025.

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	15.00	CARE BB-; Stable
Non-fund-based - LT/ST-Bank Guarantee		-	-	-	35.00	CARE BB-; Stable / CARE A4

**Annexure-2: Rating history for last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Cash Credit	LT	-	-	-	-	-	1)CARE BB-; Stable (18-Aug-22) 2)Withdrawn (18-Aug-22)
2	Non-fund-based - ST-Bank Guarantee	ST	-	-	-	-	-	1)CARE A4 (18-Aug-22) 2)Withdrawn (18-Aug-22)
3	Fund-based - LT-Working capital Term Loan	LT	-	-	-	-	-	1)CARE BB-; Stable (18-Aug-22) 2)Withdrawn (18-Aug-22)
4	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	35.00	CARE BB-; Stable / CARE A4	-	1)CARE BB-; Stable / CARE A4 (05-Feb-25)	-	-
5	Fund-based - LT-Cash Credit	LT	15.00	CARE BB-; Stable	-	1)CARE BB-; Stable (05-Feb-25)	-	-

LT: Long term; ST: Short term; LT/ST: Long term/Short term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - LT/ ST-Bank Guarantee	Simple

**Annexure-5: Lender details**

To view lender-wise details of bank facilities please [click here](#)

**Note on complexity levels of rated instruments:** CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

### Contact us

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